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UNCLAS KINSHASA 000819

SIPDIS

DEPT FOR EB/IFD/OIA/JPROSELI, L/CID/JNICOL AND AF/C

FROM BRAZZAVILLE EMBASSY OFFICE

E.O.12958: N/A

TAGS: [CASC](#) [EFIN](#) [EINV](#) [KIDE](#) [PGOV](#) [CF](#) [OPIC](#)

SUBJECT: CONGO/B: 2005 REPORT ON INVESTMENT DISPUTES
AND EXPROPRIATION CLAIMS

REF: A) STATE 070014; B) Kinshasa 0769 C) State 61595;

D) Ashraf-to-Sanders March-April 2005 emails;

E) Indyke-to-Barger/Winstead email of February 2005

[1](#)1. In reply to Reftel A, Embassy Brazzaville reports the following investment disputes in Republic of Congo (Congo/B).

[1](#)2. Claimant A

Year When Dispute Arose: As early as 1999

Case History: Claimant purchased Congolese debt on secondary market and claims that Congo has defaulted on the debt. Claimant filed suit and won in U.S. court, seeking direct allocation of revenue to itself from a third party that owes regular and continuing payments to Congo for oil revenues. Congo appealed the case in U.S. court and lost in April 2005. The Embassy delivered a demarche to Congo in March and April 2005, urging a negotiated settlement with claimant (Refs B and C). The claim amount is about 16.3 million euros (US\$20.6 million) in principal and interest.

[1](#)3. Claimant B

Year When Dispute Arose: 2004

Case History: Claimant alleges that Societe National des Petroles du Congo (SNPC), the state-owned national oil company of Congo, reneged on a letter of intent to supply 5 million barrels of crude oil that was signed by the Congolese Minister of Hydrocarbon in July 1999. The dispute involves the specified quantity of crude oil; the dollar amount is unspecified. Claimant visited Brazzaville (Congo) in February 2005. Meetings took place between claimant, claimant's Congolese lawyer, the president of SNPC, and the Minister of Justice. Before departing, claimant reported that the claims had been addressed during the meetings and that the results were satisfactory, but did not specify what the results were. Prior to the February visit, the Embassy furnished a list of Brazzaville lawyers to the claimant through the Department.

[1](#)4. Claimant A: Af-Cap

Claimant is a U.S. company. The Embassy does not have a signed privacy act waiver.

[1](#)5. Claimant B: Frank Weston

President

International Multiracial Shared Cultural Organization (IMSCO)

Claimant is a U.S. citizen and U.S. resident. The Embassy does not have a signed privacy act waiver.

[1](#)6. Brazzaville Embassy Office - Sanders.

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